

29 May 2019

Rod Sims
Chair
Australian Competition & Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Mr Sims,

New Energy Tech Consumer Code Consultation [AA1000439]

Uniting welcomes the opportunity to provide comment to the Australian Competition and Consumer Commission (ACCC) consultation on New Energy Tech Consumer Code, proposed by the Clean Energy Council, the Australian Energy Council, the Smart Energy Council and Energy Consumers Association.

Uniting Vic.Tas is the community services organisation of the Uniting Church in Victoria and Tasmania. We deliver programs and services to people experiencing disadvantage including children at risk, aged and carer services, disability and mental health, employment services, alcohol and drug dependence services, housing, family violence and early learning.

People in low-income households and/or facing financial hardship often struggle to pay energy bills. Financial distress can significantly impact a person's health and wellbeing and make them vulnerable to crisis and disadvantage.

New Energy Tech has the potential to reduce energy bills and thus financial stress for people in low-income households, if the industry is provided with a framework that encourages affordability and transparency with its customers.

Consultation with our program staff on the impact of a New Energy Tech Consumer Code revealed several issues of concern for service users, outlined below.

- Energy market complexities and lack of energy literacy among consumers make them vulnerable to industry marketing tactics and pressure.
- Consumers already have difficulty understanding cost and usage breakdown of main grid energy bills, beyond how much they have to pay. New Energy Tech, with additional costs and energy components, could further complicate this process and add to consumer stress.
- Industry jargon and complex processes limit people's ability to access communication and information materials. Consumers may also experience language barriers, low levels of literacy or disabilities that limit their full access to information.

- Renters often end up in inflexible, locked communal energy systems that significantly impact their financial circumstances. They may not have been aware of the energy arrangements prior to signing the lease.
- When businesses close, or lose government funding, consumers are left with incomplete service commitments or inaccessible product warranties.
- Introduction of New Energy Tech delivered across small networks within the main grid (for example in retirement villages or community group complexes) could potentially impact residents' access to government concessions, grants or other energy supports already in place.
- As high-income households move to New Energy Tech and use less energy from the main grid, grid network infrastructure costs could potentially be passed to low-income households or people who cannot afford the transition.
- Consumers facing financial hardship and struggling to pay energy bills may face debt collectors from multiple sources.
- The New Energy Tech Consumer Code should be aligned with similar charters in the energy and other sectors to aid comprehension by consumers.

Based on the above concerns, we recommend that the following provisions be included in the code.

- Accountability measures for businesses that engage in misleading marketing tactics, cost inflations, or charging consumers for goods and products that are not delivered or fully completed.
- Obligation to provide simple, clear, accurate and accessible information on service commitment, consumer rights, cost breakdowns and billing components. Cost breakdown should include estimations of saving and benefits. However, it is important to make consumers aware that estimations are based on sample scenarios and can vary depending on individual circumstances.
- Better protection for renters, including upfront disclosure of solar and other energy arrangements on the premises.
- Minimum market entry requirements for businesses to ensure consumer protection when they close down.
- Obligation for businesses to provide information to consumers on how transitioning to New Energy Tech could impact their access to government benefits.
- Measures to ensure stronger consumer protections for people struggling to pay bills. This could be minimum standard guidelines for engaging with consumers facing financial hardship.
- Requirement for businesses to provide access to trained staff and support services for consumers facing financial hardship.
- Provisions for consumer flexibility and choice in price structures.

Yours sincerely,



Paul Linossier
Chief Executive Officer